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FISCAL IMPACT STATEMENT

LS 7271

BILL NUMBER: SB 269

NOTE PREPARED: Jan 3, 2007

BILL AMENDED:

SUBJECT: Public Work Projects.

FIRST AUTHOR: Sen. Heinold

FIRST SPONSOR:

BILL STATUS: As Introduced

FUNDS AFFECTED: **GENERAL**
 DEDICATED
 FEDERAL

IMPACT: Local

Summary of Legislation: This bill authorizes a political subdivision to perform a public work project by means of its own workforce, without awarding a contract, if the cost of the project is estimated to be less than \$300,000 and the project consists of the construction, reconstruction, repair, alteration, resurfacing, or maintenance of an alley, a road, a street, a highway, or a bridge. (Under current law, a project may be performed by a political subdivision's own workforce only if the cost of the project is less than \$100,000.)

Effective Date: July 1, 2007.

Explanation of State Expenditures:

Explanation of State Revenues:

Explanation of Local Expenditures: The bill could reduce the cost of some local public works projects for construction, reconstruction, repair, alteration, resurfacing, or maintenance of an alley, a road, a street, a highway, or a bridge. The savings would depend on the number such projects less than \$300,000 and if local units decide to do the project with their own workforces.

Background Information: The CY 2006 budget for local highways and bridges, excluding debt service payments, was about \$517.5 M. Starting with CY 2006, local units no longer report appropriations by budget classification. Based on appropriations from CY 2001 to CY 2005, personnel services were about 45% of the budget, supplies about 21%, other services and charges 22%, and capital outlays were about 12% of the budget.

Explanation of Local Revenues:

State Agencies Affected:

Local Agencies Affected: Counties, cities, and towns.

Information Sources: Department of Local Government Finance Local Government Database.

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